

## ADMINISTRATION AND FINANCE COMMITTEE

DATE: September 11, 2007

CALLED TO ORDER: 5:10 p.m.

ADJOURNED: 6:33 p.m.

### ATTENDANCE

#### Attending Members

Joanne Sanders, Chair  
Paul Bateman  
Vernon Brown  
Lance Langsford  
Lynn McWhirter  
Jackie Nytes  
Lincoln Plowman

#### Absent Members

### AGENDA

#### **BUDGET REVIEW and ANALYSIS**

PROPOSAL NO. 342, 2007 - adopts the annual budget for Indianapolis and Marion County for 2008 (Administration and Finance portion only)

“Do Pass as Amended”

Vote 7-0

## ADMINISTRATION AND FINANCE COMMITTEE

The Administration and Finance Committee of the City-County Council met on Tuesday, September 11, 2007. Chair Joanne Sanders called the meeting to order at 5:10 p.m. with the following members present: Vernon Brown, Lance Langsford, Lynn McWhirter, Jackie Nytes, and Lincoln Plowman. Paul Bateman arrived shortly thereafter. Representing Council staff was Bart Brown, Chief Financial Officer (CFO).

Chair Sanders commented that BudgetTalk can be accessed on-line and by telephone for individuals to send or call in suggestions. She said that the survey ended last week, but Budget Talk is still open. She summarized some of the responses. She said that all of the information has not been compiled, but many of the responses and suggestions include issues of local government consolidation. She said that she believes that most of the viewers that have regularly watched the Administration and Finance Committee meetings understand that the consolidation is something that needs to be addressed through amendments to the State Constitution and State Code. She said that the Council will continue to work with State Representatives and Senators, as well as other elected officials across Marion County and the State of Indiana to address efficiencies that could be related to making decisions and developing a plan for consolidation. Chair Sanders said that the budget does not depict consolidation because of the need for change in State Legislation. She said that the Council wants those individuals who made comments about consolidation to know that it is recognized, but it cannot be addressed by the Council through the budget at this time.

Chair Sanders said that there were also recommendations received regarding energy efficiencies, which included additional “green space” and other “green” initiatives such as “green” codes in buildings and residential issues that are related to energy use and recycling. She said that many people would like to see recycling programs expanded across the city and county. She said that she does not disagree with that suggestion; however, recycling programs initially require money and individuals would have to pay a portion of what it costs to recycle. She said that the budget does not address expanding the recycling program at this time. She said that the City will continue to explore what can be done as individuals, and as a community, to address the energy efficiency issues.

In addition, Chair Sanders said that there were comments regarding take-home cars. She said that there is a proposal on the agenda of the Rules and Public Policy Committee that will meet next week to address some of the issues in the Take-Home Car Policy. Chair Sanders said that as the Council compiles the total number of responses, which she believes to be 213, of which she believes that 113 were suggestions. She said that another big point that was made is the cost of the school corporations, the amount of bonding that is done by school corporations, and the impact it has on local taxpayers. She reminded the audience that the authority for school funding comes from the state directly to the school corporations. She said that the Council will do what is possible to work with the various school superintendents and encourage them to find efficiencies within their own corporations, as well as to perhaps do better about informing the public of major bond issue decisions that impact taxpayers throughout the community. Chair Sanders said that a compiled list of suggestions and comments will be obtained and she believes that BudgetTalk will remain open until the vote of the budget next week.

[Clerk’s note: Councillor Bateman arrived at 5:19 p.m.]

Chair Sanders said that the Committee will address the issues of Proposal No. 342, 2007 that includes the Marion County and Township Assessors portions only, because Proposal No. 342, 2007 also includes other areas of the budget that have been passed through other committees.

PROPOSAL NO. 342, 2007 - adopts the annual budget for Indianapolis and Marion County for 2008 (Administration and Finance portion only)

Bob Clifford, City Controller, said that there are some amendments to Proposal No. 342, 2007 and distributed a handout (attached as Exhibit A) outlining the proposed changes. He said that the amendment has been updated since last week primarily to restore the budgets of the Township Assessors from what was presented in the original budget. He said that the Office of Finance and Management (OFM) suggested looking at the matrix for each of the assessors to see how many assessors are needed per parcel and per commercial parcel, and to try to identify efficiencies so that the offices could be funded in a similar fashion. He said that working with the County Assessor's Office, Lawrence Township Assessor, Jeff Hill, and the Center Township Assessor's Office, he found that the nine township assessor offices have different processes and different skill levels of people, and therefore, it would not be possible to fund each of the offices based on the matrixes. The assessors would not be able to get to a level of operational efficiency in time to help complete the 2006 or 2007 assessments. Mr. Clifford said that OFM has tried to put together a budget that restores what each assessor's office had in 2007, while recognizing that the commercial properties are going to be assessed by an outside consultant and/or the four new employees of the County Assessor's Office. He said that part of restoring the Assessor's budgets involved moving the budget from the County Assessor into individual township offices. He said that he believes that there are a few instances in which the Township Assessors feel that they have been shorted, but overall he believes that the budget is sufficient for 2008. Mr. Clifford said that the proposed changes for the County and Township Assessors begin on page 4 of Exhibit A.

Hope Tribble, Budget Manager, OFM, distributed a handout (attached as Exhibit B), and stated that during the budget process, OFM was aware that the Property Reassessment Fund would be over-budget based on the requests received from the Township and County Assessors. She said that approximately \$1.6 million was moved from the Reassessment Funds of the County and Township assessors' budgets to the County General Fund of the County Assessor's budget in order to avoid a negative balance in the Reassessment Fund. Ms. Tribble said that she reallocated the money based on the 2007 budgets for each of the County and Township Assessors' offices, except in cases where an office requested less. Ms. Tribble said that Exhibit B shows the revised 2008 Proposal numbers in an outlined column and the total changes in dollars and percentage are in the last column. She commented that the \$573,841 increase for the County Assessor is to pay for the additional costs for Character 01 expenses, which includes the four new full time equivalents (FTEs) that the County Assessor will be hiring (or has hired) to deal with the state-ordered reassessment. Ms. Tribble said that the Center Township Assessor's 2008 budget reflects a requested decrease of \$58,629, and the Decatur Township Assessor also requested a decrease of \$3,928. The Franklin Township Assessor requested a larger budget for 2008, so OFM proposed the approved 2007 budget amount. The Lawrence Township Assessor requested \$281,627 less than the 2007 budget, and the Perry Township Assessor's 2008 budget reflects a decrease of \$61,218 due to an error in the Character 04 budget for 2007. She said that Exhibit B shows that the Perry Township's 2007 Character 04 budget is larger than most of the other Township Assessor's budgets. Ms. Tribble stated that Perry Townships Character 03 request is also less than their 2007 budget. She said that there was not

much change in the Assessor's budgets for Pike Township, Warren Township and Washington Township. The Wayne Township Assessor's 2008 budget reflects a decrease of \$10,483 as a result of a requested decrease in Character 03. Ms. Tribble said that these changes are reflected in Exhibit A.

Councillor Nytes stated that Exhibit B clearly shows the entire process county-wide. She asked if Exhibit B represents the combined expenditures from the County General Fund and the Property Reassessment Fund for each office. Ms. Tribble answered in the affirmative.

Councillor McWhirter asked if Ms. Tribble stated that money will be taken out of the County Assessor's Reassessment Fund for the Township Assessors. Ms. Tribble answered in the negative, and stated that money is being moved from the Township Assessors' Reassessment Fund to the County Assessor's General Fund. Councillor McWhirter said that she spoke with the Wayne Township Assessor, who exhibited a need for a larger Character 04, Capital Outlay, budget because of a needed repair. She asked the Wayne Township Assessor to speak to the Committee about his request.

Mike McCormack, Wayne Township Assessor, said that an increase was included in their 2007 budget to repair the roof because there are missing shingles, but the City Controller asked for the money to be returned. He said that the repair was put off for a year, and he had requested the additional money in the 2008 budget to repair the roof. Councillor McWhirter asked if Mr. McCormack has an estimate for the repair. Mr. McCormack answered that he received three estimates last year, but he is unsure if they are still valid. He said that his requested amount would be the maximum amount to repair everything, including the decking, based on the least expensive estimate received last year. Ms. Tribble said that she spoke with Mr. McCormack about requesting a fiscal ordinance once the actual amount is known, as the budget is operational as opposed to including one-time expenses.

Chair Sanders said that when she visited with the Assessor, it was noted that there was a problem with Information Services Agency (ISA) charges, and she asked if the changes ensure that the ISA charges are attributable as expected. Ms. Tribble answered in the affirmative, and stated that the Character 03 funds will be allocated for "Controlled Sub-objects", which include rent, ISA charges, and telephone charges.

Ms. Tribble added that Exhibit B also shows the number of FTEs for each office and the number of parcels that each township is responsible for under each township office's title.

Mr. Clifford said that the appropriations for the Township Assessors last year were mostly made out of the Reassessment Fund, but this year appropriations are mostly being made out of the General Fund. He said that the appropriations reflected in Proposal No. 342, 2007 are out of the Reassessment Fund and the County General Fund. He said that the final draft of the proposal reflects a \$350,000 County Reassessment Fund balance and a \$2.9 million County General Fund balance at the end of the year.

Chair Sanders asked Ms. Tribble to explain what items are covered in Character 04. Ms. Tribble answered that Character 04 is for capital, which includes buildings, furniture, fixtures and equipment.

Councillor Langsford asked if the number of parcels that are reflected on Exhibit B include the tax-exempt parcels or only represent parcels that pay property taxes. Greg Bowes, County Assessor, answered that he believes that the amounts reflected represent taxable parcels and exempt properties of which have been measured and valued by the assessors. He said that he does not believe that the number represents buildings that have never been valued because taxes would never be associated, such as government buildings, state buildings and universities.

Ms. Tribble added that Exhibit A reflects that the Character 03 amount for the Recorder's budget was approximately \$4,000 dollars more last week, but has been adjusted to reflect additional cuts offered by the County Recorder.

Mr. Clifford stated that the highlighted portions of Exhibit A represent the changes to the original ordinance. The left column is what was proposed in the original budget and the right column is what OFM is asking the Committee to consider. Mr. Clifford said that the proposed changes are as follows:

- The Mayor's Office budget has a reduction of approximately \$35,000 in Character 01, which results in a cut of over 10% as pledged.
- The City-County Council budget reflects reductions offered by the Clerk and result in a 10% reduction.
- The Cable Communications budget reflects a minor change of a few hundred dollars.

Chair Sanders stated that the Council budget actually reflects an 8% reduction.

- The Department of Administration and Equal Opportunity reflect reductions in Characters 01 and 03 due to the removal of two Microfish positions, which are now included in the budget of the County Clerk because majority of the Microfish use and record retention is within the Clerk's Office.
- On the County side, beginning with the County Auditor, money was moved from Character 03 to Character 01 and includes a \$30,000 reduction.
- The County Treasurer's budget reflects an increase in Characters 01, 02 and 03 due to the increased workload associated with sending three bills in 2008 and performing reconciliations three times.
- The word "corner" needs to be added to the name of the County Surveyor's Perpetuation Fund.
- A Title III Requirement Fund has been added to the County Election Board's budget to reflect an appropriation to pay the debt service from the voting machines.
- The Assessors' budgets reflect the changes that have been described by Ms. Tribble.

Mr. Clifford said that page 26 and 27 of Exhibit A reflect a number of changes in FTEs for the Administration and Finance offices. He said that FTEs for Administration were cut from 48 to 45. He said that the Auditor's Office was increased from 29 to 31, which reflects the transfer of Character 03 funds to full time employees. Councillor McWhirter asked Mr. Clifford to explain the FTE changes illustrated on page 26 of Exhibit A, as it reflects a proposed 2008 total of 1,665.02 and a corrected total of 1,652.02. Jeff Seidenstein, Budget Manager, OFM, said that Exhibit A only

shows the changes to the Administration and Finance offices and does not include changes in Public Works, Parks, Department of Metropolitan Development (DMD) and Public Safety. Mr. Clifford asked if Councillor McWhirter would like to know where the other cuts took place. Councillor McWhirter answered in the negative. Mr. Clifford said that the additional changes on pages 26 and 27 reflect the changes as discussed on the county side. He said that the total on the county side changes from 2,866.76 FTEs to 3,189.23 FTEs, of which a majority of the changes are to Public Safety agencies. Mr. Seidenstein said that Exhibit A shows the numbers that were originally proposed versus the proposed changes that OFM is asking the Council to approve.

Mr. Clifford said that pages 28 and 29 of Exhibit A illustrate the Summaries of Appropriations, Miscellaneous Revenue, Tax Levies, Net Assessed Value and Tax Rate and the missing schedules from last year. Mr. Clifford said that pages 13 thru 20 of Exhibit A are the 16-line statements that reflect the changes discussed. He said that all of the fund balances and tax rates are reflected. He reiterated that the tax rates are frozen because of the adoption of the Local Option Income Taxes (LOIT), with the exception of the slight increase of the Reassessment Fund tax rate that the State has authorized. He stated that the increase is reflected in the budget and is included in the \$50.4 million property tax reductions that have been discussed as part of the budget.

Councillor Nytes asked Mr. Clifford to explain the distribution of the County Option Income Tax (COIT) revenues as described on page 21 of Exhibit A. Mr. Clifford said that the 1% tax (COIT) is allocated to the funds listed on page 21. Councillor Nytes asked if this represents the original COIT that was instituted about 20 years ago that is now at the maximum allowable percentage rate. Mr. Clifford answered in the affirmative. Councillor Nytes asked if the COIT is flexible and has the ability to be used in more agencies than the new LOIT. Mr. Clifford answered in the affirmative, and stated that the COIT is the most flexible revenue source that local governments possess, as the LOIT follows a specific property tax levy of a particular fund. He said that the Public Safety tax must be used for Crime Prevention, Police and Fire Pension or the Criminal Justice System. Councillor Nytes asked if there is a difference in which entities receive the COIT versus the ones that participate in the new LOIT. Mr. Clifford answered in the affirmative. Councillor Nytes stated that in past years, the city has occasionally received an additional distribution from the state for the COIT revenue, and she asked if there is any hope of receiving additional money from the state this year. Mr. Clifford answered that it was originally estimated that the city would receive \$13 million, but the budget reflects an additional \$9 million or \$10 million distribution for 2008 that should be received in January, 2008. He said that the state collects the COIT and holds back a reserve because they give a certified distribution monthly and last year the city anticipated that it would receive a \$13 million excess distribution of COIT in January, 2008. Mr. Clifford said that the collections were not as vigorous as last year's forecast, which decreased the amount. Councillor Nytes asked if assumption of those distributions should be limited due to its subjectivity to what is happening with the economy. Mr. Clifford answered in the affirmative, and stated that those distributions also depend on the reserve level set by the state, growth, income, as well as other uncontrollable factors.

Councillor Plowman asked if the state gave the city some relief on pension, what the city would do with the money that has been dedicated to pension relief with respect to the Sinking Fund (for pension debt service). Mr. Clifford answered that the Public Safety Tax percentage could be reduced by the corresponding relief amount, as Public Safety Tax can be determined by the Council up to .5% every year.

Councillor Nytes asked if the Council would also have the option to allocate the resources to other things such as curbs and sidewalks since the tax has some flexibility. Mr. Clifford answered that the COIT could be recycled for a number of county-wide uses, including curbs and sidewalks and paving roads. Mr. Clifford stated that he understood Councillor Plowman's question to be what would be done if pension relief was received from the state for police and fire, and the most likely relief for that would be from the Public Safety Tax. Mr. Clifford stated that Mr. Seidenstein also mentioned that excess distributions could be used to pay off the outstanding pension debts or invest with the Public Employee Retirement Fund (PERF).

Councillor Nytes said that the pay ranges for various groups of employees are included on pages 23 thru 25 of Exhibit A, and she asked if the numbers are different than last year and who makes recommendations of salary ranges. Mr. Clifford answered that the numbers in Exhibit A include a 3% increase in the maximum pay for each pay grade. Chair Sanders asked if minimum pay grades increased. Mr. Clifford answered in the negative, and stated that it could also be done. However, the city still has not finalized a way to build raises into the 2008 budget, and there would be a cost to increase the minimum pay for each pay grade. The minimum pay was not increased the 3% because there was no additional money budgeted in Character 01. Councillor Nytes expressed her concern about the lowest level, which is the minimum pay for a Grade 1 employee. She said that she believes that when the schedules were being revised, the Council was working to try to ensure that all City or County employees would be at a level of pay that a working individual or family could survive. She said that she believes that over time there is a risk of slipping back into an unfortunate position and she hopes that the city can continue to examine the entry level minimums and adequately adjust if the opportunity arises.

Chair Sanders said that she agrees with Councillor Nytes, and stated that she thought that Collin Kebo, Human Resources (HR) Administrator, previously stated that the minimum salaries had increased, which makes more sense to her. Mr. Brown said that Mr. Kebo stated that the maximum salaries increased because increasing the minimum would be a fiscal impact that would have to be approved in the budget by the Council. Chair Sanders said that she agrees that the Council must stay on top of the issue of people falling below the poverty level. She said that she understands that if an employee is full-time, they also receive benefits and that does make a difference. However, looking at the minimum salaries in the lower ranges reflects that it would be very difficult for anyone to sustain themselves in this community at the cost of living required.

Councillor McWhirter asked what the cost would be for an overall 3% increase for employees. Mr. Clifford answered that 3% for non-bargaining unit, City and County employees totaled \$3 million last year. Therefore, he assumes that this year it would be \$3 million to \$4 million. Councillor McWhirter asked Mr. Clifford if he had indicated that an agency could give the 3% increase if the funds were available in their Character 01. Mr. Clifford answered that his statement was not intended to indicate that idea. Chair Sanders said that she understood Mr. Clifford to state that he was not taking a position on 3% pay increases at that point, but that it was conceivable that some agencies may have money within their budget to provide those increases. However, she said that she does not believe that it would be fair if the pay raises cannot be afforded to everyone. Mr. Clifford agreed with Chair Sanders, and stated that one of the reasons that he does not like to include additional funds in an agency's budget for potential increases for bargaining unit employees is because it may result in re-classification of jobs or agencies trying to process raises. Mr. Clifford

said that currently there is a process in which HR does not allow raises, except in cases of promotions, which also has limits. He said that he does not foresee allowing some departments to have money in their budgets to give raises and not allow others. There has been discussion of creating an Efficiency Commission that will work with the city on ways to streamline city and county government to try to offer incentives to Directors and Agency heads to find ways to be more innovative to free up their budget, but there was no discussion of increasing an agency's Character 01. He said that he would like to ensure that all employees get pay raises, as they all are probably underpaid.

Councillor Plowman said, in response to Councillor Nytes' concern of slipping back into an unfortunate place, that he does not know if the city has ever reached a fortunate place. He said that he has been on the Council for four years and there is constant conversation about employees making a decent living, but he does not recall the Council making any effort to correct the problem. He asked if the city has to wait another four years. Chair Sanders said that there were studies done, adjustments made based on the results of the studies, and the salaries are better. Councillor Plowman asked what is considered "better." Councillor McWhirter answered that three or four years ago, the minimums were \$15,000 and \$16,000 per year. She said that those have increased since her time on the Council. Councillor Plowman asked how long Councillor McWhirter has been on the Council. She stated that she began serving in 2000 and since then, the Council has moved the minimums from \$15,000 to \$19,000 per year. Councillor McWhirter added that the increase is still not the best minimum pay for employment, but progress is being made, and she stated that the poverty level is approximately \$20,000 for a family of four. Chair Sanders said that she believes that the poverty level for a family of four is \$28,000. Councillor McWhirter said that she believes that more should be done to increase the minimums, but changes are being made. Councillor Plowman said that it is unfortunate that a city the size of Indianapolis is paying below-poverty level wages for city and county employees.

Councillor Nytes said that she felt that the Council has worked really hard on salary schedules and on looking for some sort of equity across departments for positions. She commented that she believes that the city has come a long way and she respects the staff that has worked really hard to increase the numbers. She said that she believes that the challenge is that there are so many employees and the city works very hard to meet the needs and requirements for the level of skill and experience of employees of bargaining units. The dilemma is that sometimes there are not enough resources available for the Council to be able to support or convince the public to provide support to continue with the salary schedules that represent the non-represented employees to make the same type of progress. Councillor Nytes said that she believes that the Council has done a good job of keeping up with the market place in the Public Safety budgets, and she hopes that the Council will put the same energy in the salary schedules included in Exhibit A.

Councillor McWhirter said that another concern for the lack of raises for non-union employees is that there are units of people that are covered by a contract in some agencies and are continuing to get raises, but the supervisors in those same agencies may not be covered by the contract which results in employees making more money than their supervisor. Mr. Clifford said that OFM has been faced with that dilemma in the Fire Department's Communications department, Public Works and Fleet Services. He said that equity adjustments had to be made from time-to-time and it is important to have someone that is willing to work as a supervisor. Oftentimes, overtime carries hourly employees over supervisor levels, but usually supervisors are working overtime in addition



to their employees. Mr. Clifford said that he agrees with the Council, and he believes that it is important to find ways to fund these concerns out of the existing funds and everyone will have to work together over the next two to three months to find a way to ensure that employees receive raises next year.

Councillor Nytes asked if Mr. Clifford is suggesting that the Council could entertain an additional appropriation that could be used to fund adjustments for employees if all agencies could manage to be frugal in spending for the remainder of the year. Mr. Clifford said that it would be a means available, but also to find better ways to do processes, be more efficient, and better utilize technology to free up money. He said that he also believes that the public expects that from the agencies as well.

Mr. Brown stated that the Controller's Office has covered everything with regard to the Administration and Finance Committee, and stated that everything else in the proposal has been approved by the other committees and forwarded for review of the full Council.

Chair Sanders asked if there is a place in the ordinance that illustrates the distribution of the LOIT. Mr. Clifford said that the LOIT and the Public Safety Tax are shown as Miscellaneous Income in any of the civil taxing funds that has a tax rate. For example, page 9 of Exhibit A reflects the County General Fund. The LOIT and Public Safety Tax are both line items shown under Special Taxes. He said that it would be shown in the same way in the Consolidated County Fund, the Indianapolis Metropolitan Police Department (IMPD) Fund, the Indianapolis Fire Department (IFD), DMD and Public Works. Chair Sanders asked if the Payment in Lieu of Taxes (PILOTs) coming from the Water Company and Health and Hospital are the only two. Mr. Clifford answered in the negative, and stated that there is also a PILOT from Sanitation. He stated that IUPUI also provides miscellaneous revenue for fire protection services and the Waterworks PILOT is part of their ongoing agreement that they pay taxes. Mr. Seidenstein clarified that the Health and Hospital payment is reflected as an Intergovernmental Revenue. Mr. Brown asked if Mr. Clifford could provide the Council with a compilation of allocations of the .65% that goes toward the Public Safety Tax and the LOIT. Mr. Clifford answered in the affirmative. Chair Sanders asked if .2% of the .65% is withheld for freezing the levy and .45% goes toward Public Safety. Mr. Clifford answered in the affirmative, and stated that .1% of the .2% for freezing the levy goes into a reserve fund for the first year. He added that the LOIT is approximately \$35 million, of which \$11.8 million went to the county and \$13 million was given back as property tax reductions.

Pat Andrews, Vice President, Marion County Alliance for Neighborhood Associations (MCANA), thanked the Controller's Office and the Council Office for ensuring that MCANA received information that they requested with regard to the budget. She stated that there was an expansion of Character 390, but Councillors also expressed concerns about seeing more detail as to what was being requested as "Contractual Obligations or Contracts." Ms. Andrews asked if more detail could be given for the "Miscellaneous Contractual Expense" of \$80,000 listed in the budget of the Treasurer. Mr. Clifford stated that he believes that the expense is for finance, banking and wiring (of money) charges, but he will examine that expense and forward the information to Ms. Andrews. Ms. Andrews said that there was a description of bus passes in multiple departments, but the amounts greatly differed from \$500 to nearly \$10,000. She asked if bus passes are part of the employment package and why the charges differ so significantly. Mr. Clifford answered that bus passes are paid for those employees that choose to ride the bus to work as opposed to driving and

obtaining a parking space, as parking is offered to downtown employees. Ms. Andrews asked if parking fees are reflected in another line item of the budget. Mr. Clifford answered in the affirmative, and stated that parking fees are reflected in rent fees. Mr. Seidenstein clarified that the fees are included in rent fees if employees park in the City County Building, but it is reflected in another category of the budget for employees that park in private garages. He believes that it will be under a Travel category. He said that those expenses are not reflected in Character 390. Mr. Seidenstein also added that some of the agencies have a line item for "Taxi Services", and he gave an example of the Prosecutor's Office that pays for taxi services for some of the victims and witnesses that have to come into the building for testimony and case-related matters. Ms. Andrews stated that some of the line items list "Taxi Services" and then list "bus passes" under comments. Mr. Seidenstein said that the accounting system maintained by the County Auditor lists the sub-object "Taxi Services", but it was determined that departments are actually paying for bus passes that are being charged that sub-object. He said that OFM tried to clarify when the charges were for employees and when they were for witnesses, thus the reason that "bus passes" is listed under the comments.

Ms. Andrews asked about the expense of \$221,000 for "Transporting Machines" listed in Election Expenses. Mr. Brown answered that that expense is for the voting machines. He said that there are 700 voting sites with multiple machines in each site twice a year. Mr. Clifford stated that a copy of the contract listing the actual charges can be provided for Ms. Andrews. Mr. Brown added that it is the hope that the expense will be reduced if the number of precincts is reduced. Ms. Andrews asked about the \$50,000 expense for the transportation of Absentee Ballots, etc. Chair Sanders answered that traveling boards go to nursing homes, hospitals, and other places that have people that cannot come to the City County Building. Mr. Clifford stated that more detail of those charges can also be provided for Ms. Andrews. Ms. Andrews asked about the expenses for Character 312, Management Contract listed in Executive and Legislative. She said that the expense was \$0 in 2006, \$250,000 in 2007 and requested for 2008, and \$0 for year-to-date. Mr. Brown asked if Ms. Andrews is aware of the department in which the expense is listed, as the information that she provided is on the summary page. Ms. Andrews answered in the negative. Mr. Brown stated that the summary page gives a summary of all of the offices in the Executive and Legislative Division, and Mr. Seidenstein can get that information for Ms. Andrews. Mr. Clifford stated that the sub-object description is "Management of County Jail Facilities" in the OFM's budget. He said that he believes that it was put into the 2007 budget for a reserve for excess jail beds, but that level has not been reached yet for the beds run by Corrections Corporation of America (CCA). He said that the expense may not be necessary for 2008, but he will check on it and get back with the Council and Ms. Andrews.

Councillor Nytes stated that several of Ms. Andrews' questions were recently explored in the meetings that were held for the Election Investigation Committee. She said, in addition to the traveling boards that go out with Absentee Ballots, taxi services have been used in the past to deliver Absentee Ballots to the polling places on Election Day. She said that it has been suggested that the County Clerk take a look at using city and county-owned vehicles and city and county employees to perform that function. She said that it is expected that performing the function in that way, even if employees have to be paid to work on Election Day, would help decrease the expense amount. However, the previous expense amount is still in the budget for 2008 because it is not known how soon the change would be effective, but the Clerk is looking into it. Councillor Nytes added that there will be another meeting of the Election Investigative Committee on Wednesday, September 12<sup>th</sup>, in which there will be an opportunity to take a look at the new precinct maps that

have been developed. She said that a group of people have been working on the maps for nine or ten months, and there is a proposal that is ready to go to the State Election Board that will be shared with the Investigative Committee to show how well the various suggestions and concerns have been addressed. Councillor Nytes said that she believes that some positive efforts will be noticed to improve the Election Board's budgets going forward as a result of the changes. Chair Sanders clarified that these types of changes, especially the precinct changes, will not occur until 2008 because they have to be approved by the State Election Board. Councillor Nytes added that the current Election Board budget is a worse-case budget, and there are a number of ideas in play to be able to have a better budget in the future. Ms. Andrews asked if there is time still available for re-precincting. Councillor Nytes answered that nothing can be done for the remaining election for 2007, but the city can be ready for 2008 with the support and cooperation from the State.

Councillor Langsford asked who has been working on re-precincting. Councillor Nytes answered that it is the responsibility of the Mayor, who has authorized a group of people who have been contracted with attorneys and consultants with experience in election work. She said that there are approximately six people and the group is headed up by some attorneys from Ice Miller and other private consulting firms.

Robert Yahara, citizen, distributed a handout (attached as Exhibit C) of his analysis of the tax rate chart, and stated that he has discovered that the tax rates have not changed since 1999. Mr. Yahara expressed his concern of the various tax rates and differences between each township. He explained that Exhibit C illustrates the different tax rate districts in each Councillors district. Mr. Yahara commented that everyone has been encouraged as citizens to be as constructive and contributing to the budget process. He expressed his appreciation to the Council for the open committee meetings that have offered plenty of opportunity for expression. He encouraged others to get involved with the process because everyone has to work together as part of the solution.

Councillor Nytes moved, seconded by Councillor Brown, to amend Proposal No. 342, 2007 as described in Exhibits A and B. The motion carried by a vote of 7-0.

Councillor Nytes moved, seconded by Councillor Brown, to forward Proposal No. 342, 2007 (Administration and Finance portions only) to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 7-0.

With no further business pending, and upon motion duly made, the Administration and Finance Committee of the City-County Council was adjourned at 6:33 p.m.

Respectfully submitted,

Joanne Sanders, Chair  
Administration and Finance Committee